BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2003-103-C - ORDER NO. 2003-424

JUNE 19, 2003

IN RE:	App	plication	of	Lockhart	T	elephone	Company

ORDER APPROVING

for Approval of Extraordinary Retirement of

EXTRAORDINARY

Digital Central Office Switching Equipment.

RETIREMENT

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of Lockhart Telephone Company (Lockhart or the Company) for approval of extraordinary retirement of digital central office switching equipment.

Pursuant to the instructions of the Commission's Executive Director, the Company published a Notice of Filing one time in a newspaper of general circulation in the Company's service area. The Company furnished an affidavit of publication therefor. No Protests or Petitions to Intervene were filed. We will therefore dispose of this matter without a hearing.

By its Application, Lockhart requests permission to amortize the remaining net book value of its digital central office equipment, which has been retired. Lockhart states that this equipment was retired and replaced with other equipment that allows Lockhart to be served remotely from the Chester DMS switch. The reason for this replacement, according to Lockhart, was the need to upgrade the capabilities of the Lockhart equipment due to the Communications Assistance for Law Enforcement Act (CALEA) enacted by the Federal Communications Commission. Lockhart asserts that it was a

lower cost to replace the equipment than to upgrade it and the new equipment makes

more features available to the Lockhart customers.

The remaining life of the old equipment was 3.2 years, according to Lockhart, and

the net book value was \$54,616.62. Lockhart wishes to amortize this amount over three

years. Lastly, Lockhart states that this request will not affect the Company's customer

rates and the Company will not use this adjustment to justify any rate increase requests.

We approve Lockhart's request for approval of extraordinary retirement of the

Company's digital central office switching equipment with the remaining net book value

of the equipment to be amortized over a three year period. We would note that approval

of Lockhart's request will not affect customer rates of the Company.

This Order shall remain in full force and effect until further Order of the

Commission.

BY ORDER OF THE COMMISSION:

Mignon L. Clyburn, Chairman

ATTEST:

Gary E. Walsh, Executive Director

(SEAL)